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**ONTARIO COUNCIL FOR  
INTERNATIONAL COOPERATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Ontario Council for International Cooperation,

### Opinion

We have audited the financial statements of Ontario Council for International Cooperation (the organization), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ontario Council for International Cooperation as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Pemylegion Chung LLP*

Chartered Professional Accountants  
Licensed Public Accountants

July 22, 2022  
Toronto, Ontario

# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2022

	2022	2021
<b>ASSETS</b>		
Current assets		
Cash	\$ 168,273	\$ 180,076
Term deposits (note 3)	40,467	40,282
Amounts receivable	11,323	6,995
Prepaid expenses and deposits	<u>1,846</u>	<u>2,685</u>
	<u>\$ 221,909</u>	<u>\$ 230,038</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 24,352	\$ 20,520
Deferred contributions (note 6)	<u>77,901</u>	<u>83,078</u>
	102,253	103,598
Long-term liabilities		
Canada Emergency Business Account (CEBA) loan (note 5)	<u>-</u>	<u>30,000</u>
	<u>102,253</u>	<u>133,598</u>
Net assets		
Internally restricted (note 7)	57,000	57,000
Unrestricted	<u>62,656</u>	<u>39,440</u>
	<u>119,656</u>	<u>96,440</u>
	<u>\$ 221,909</u>	<u>\$ 230,038</u>

Approved on behalf of the Board:

\_\_\_\_\_, Director

\_\_\_\_\_, Director

see accompanying notes

# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
<b>REVENUE</b>		
Government grants (note 8)	\$ 622,101	\$ 576,248
Membership fees	30,083	29,295
Professional services	10,972	3,282
Donations	2,586	2,283
Investment income	982	1,076
Forgivable portion of CEBA loan	<u>-</u>	<u>10,000</u>
	<u>666,724</u>	<u>622,184</u>
<b>EXPENSES</b> (note 9)		
Program		
Global Affairs Canada	524,383	476,906
Employment and Social Development of Canada - SDG	26,587	-
City of Toronto	7,790	39,113
Administration	<u>84,748</u>	<u>68,828</u>
	<u>643,508</u>	<u>584,847</u>
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	23,216	37,337
Net assets, beginning of year	<u>96,440</u>	<u>59,103</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 119,656</u>	<u>\$ 96,440</u>

see accompanying notes

# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 23,216	\$ 37,337
Net change in non-cash working capital items (see below)	<u>(4,834)</u>	<u>(36,332)</u>
Net cash generated from operating activities	18,382	1,005
<b>INVESTING ACTIVITIES</b>		
Term deposits purchased	(185)	(386)
<b>FINANCING ACTIVITIES</b>		
Proceeds from (repayment of) CEBA loan, net of forgivable portion	<u>(30,000)</u>	<u>30,000</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	(11,803)	30,619
Cash, beginning of year	<u>180,076</u>	<u>149,457</u>
<b>CASH, END OF YEAR</b>	<u>\$ 168,273</u>	<u>\$ 180,076</u>
Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
Amounts receivable	\$ (4,328)	\$ 10,604
Prepaid expenses and deposits	839	1,474
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	3,832	4,004
Deferred contributions	<u>(5,177)</u>	<u>(52,414)</u>
	<u>\$ (4,834)</u>	<u>\$ (36,332)</u>

see accompanying notes

# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

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Ontario Council for International Cooperation (the Organization or OCIC) is incorporated without share capital in the Province of Ontario. The Organization is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

The Organization encourages the development of the Ontario international development and global education sectors and the sharing of resources between OCIC members by providing forums for networking, communications and collaborative reflection and action, and facilitating capacity building in public engagement and organizational development. The Organization is a learning organization with inclusive, cooperative and participatory processes that are accessible and accountable to all members.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

#### Revenue recognition

The Organization's principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The Organization follows the deferral method of revenue recognition for contributions, which include government grants and donations. Unrestricted contributions are recognized as revenue when received. Restricted grants are initially recorded as deferred contributions and then recognized as revenue in the year in which the related expenses are incurred. Pledges are not recorded as revenue.
- ii) Membership fee revenue is recognized in the year to which the membership applies.
- iii) Professional services revenue is recognized once the service has been delivered.
- iv) Investment income is recognized as revenue when earned.

#### Contributed materials and services

Contributed materials and services which are normally purchased by the Organization are not recorded in the accounts. Volunteers contributed approximately 985 (2021 - 2,280) [unaudited] hours during the year to assist the Organization in carrying out its service activities. Due to the difficulty in determining the fair value, contributed services are not recorded in these financial statements.

#### Allocation of expenses

Salaries and benefits are allocated to administration and program expenses based on time spent on each function.

### 2. FINANCIAL INSTRUMENTS

The Organization records financial instruments, which include cash, term deposits, amounts receivable, CEBA loan payable, accounts payable and accrued liabilities initially at fair value. All financial instruments are subsequently recorded net of any provisions for impairment in value.

### 3. TERM DEPOSITS

Term deposits are issued by a Canadian credit union, bear interest at rates ranging from 0.50% to 0.75% and mature between February 2023 to December 2024.

# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

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### 4. LINE OF CREDIT

The Organization has an unsecured line of credit for \$40,000, which bears interest at 5.70%. None of the line of credit was used as at March 31, 2022 and as at March 31, 2021.

### 5. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

In the prior year, the Organization obtained the Canada Emergency Business Account (CEBA) loan of \$40,000 from the Government of Canada. The unsecured loan bore no interest and no principal repayments were required until December 31, 2023. Proceeds from the loan could only be used for non-deferrable operating expenses. As at year end, the Organization repaid all principal repayments with respect to the CEBA loan payable.

### 6. DEFERRED CONTRIBUTIONS

Deferred contributions are as follows:

	2022	2021
Global Affairs Canada	\$ 77,901	\$ 71,873
City of Toronto	-	8,205
Other	-	3,000
	<u>\$ 77,901</u>	<u>\$ 83,078</u>

Continuity of deferred contributions for the year is as follows:

	2022	2021
Deferred contributions, beginning of year	\$ 83,078	\$ 135,492
Government grants received	616,924	523,834
Less government grants recognized as revenue	<u>(622,101)</u>	<u>(576,248)</u>
Deferred contributions, end of year	<u>\$ 77,901</u>	<u>\$ 83,078</u>

### 7. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets represent funds designated by the Board of Directors for unanticipated losses of funding. These internally restricted net assets are not available for use by the Organization without approval from the Board of Directors.



# ONTARIO COUNCIL FOR INTERNATIONAL COOPERATION

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

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### 8. GOVERNMENT GRANTS

Government grants recognized in the year were as follows:

	2022	2021
Global Affairs Canada	\$ 587,309	\$ 534,135
Employment and Social Development Canada	26,587	-
City of Toronto	<u>8,205</u>	<u>42,113</u>
	<u>\$ 622,101</u>	<u>\$ 576,248</u>

In fiscal 2020, the Organization signed a contribution agreement, which ends on July 31, 2023, with Global Affairs Canada for a program entitled *Inspiring Action for Global Citizenship*.

In fiscal 2021, the Organization administered a fund on behalf of the City of Toronto to provide technology and communication support to marginalized communities.

### 9. ALLOCATION OF EXPENSES

Included in the statement of operations are salaries and benefits expenses which are allocated to the following activities:

	2022	2021
Global Affairs Canada	\$ 442,425	\$ 435,930
Administration	46,607	17,763
Employment and Social Development Canada	<u>26,587</u>	<u>-</u>
	<u>\$ 515,619</u>	<u>\$ 453,693</u>